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NEWSRELEASE

ROYALGOLD,INC

FOR IMMEDIATE RELEASE: **FOR FURTHER INFORMATION CONTACT:**

Stanley Dempsey, Chairman
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ROYAL GOLD REPORTS INCREASED REVENUES FOR ITS FIRST QUARTER

DENVER, COLORADO. NOVEMBER 7, 2002: ROYAL GOLD, INC. (NASDAQ:RGLD; TSX: RGL) today announced revenue of $3,366,172 for the first quarter (July 1 - September 30) of fiscal year 2003, as compared to revenue of $2,831,633 for the same period in fiscal 2002, an increase of about 19 percent. Net income was $1,425,505, or $0.08 per basic share for the current quarter, compared to $372,299, or $0.02 per basic share for the same period last fiscal year, which included a non-cash charge of $1,075,393. Free cash flow for the first quarter was approximately $2.6 million, or 76% or revenues. Free cash flow is defined as operating income plus depreciation, depletion and amortization, non-cash charges and any impairment of mining assets.

Higher revenues reflect a step-up of Royal Gold's sliding-scale royalty rate at the Pipeline Mining Complex and higher production at the Bald Mountain mine, in Nevada, which also resulted in higher depletion, depreciation and amortization costs.

Exploration and business development costs for the quarter were $93,021 as compared to $122,321 for the same quarter in fiscal 2002.

At September 30, 2002, the Company had a working capital surplus of approximately $28.7 million. Current assets were $30,112,661, compared to current liabilities of $1,400,797, for a current ratio of 21 to 1.

At the end of fiscal 2002, Royal Gold recognized a deferred tax asset of $6.2 million as a non-cash event, and reported that as it goes forward this asset will be a future non-cash tax expense. During the quarter, $501,233 was recognized as a non-cash tax expense, which decreased earnings by $0.03 per share.

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Stanley Dempsey, Chairman, CEO & President, stated "We had another great quarter with a 19% increase in revenues and our free cash flow continues to remain strong at $2.6 million. Because the price of gold for the quarter averaged around $312 per ounce, our GSR1 royalty rate at the Pipeline Mining Complex, in Nevada, was 2.60%. During the quarter, we raised $14.1 million in two common stock placements."

REVIEW OF OPERATIONS

Pipeline Mining Complex, Lander County, Nevada

The Company holds two sliding scale gross smelter return royalties (GSR1 and GSR2), a fixed gross smelter royalty (GSR3), and a net value return royalty (NVR1) on the Pipeline Mining Complex, in Lander County, Nevada. The GSR1 royalty covers the current mine footprint, and the GSR2 ("super") royalty covers any reserves that are developed on the claim block lying outside the current mine footprint. The GSR2 royalty pays out at a rate that is 80% higher than that of GSR1, at all gold prices. The GSR3 royalty is a 0.71% fixed rate for the life of the mine. The 0.37% NVR1 covers production from the GAS Claims, an area of interest of approximately 4,000 acres including the South Pipeline deposit and Crossroads area, but not including the Pipeline pit. The NVR1 royalty is calculated by deducting processing-related costs, but is not burdened by mining costs.

The Pipeline Mining Complex is owned by the Cortez Joint Venture ("Cortez"), a joint venture between Placer Cortez Inc. (60%), a subsidiary of Placer Dome Inc., and Kennecott Exploration (Australia) Ltd. (40%), a subsidiary of Rio Tinto.

For the first quarter of Royal Gold's fiscal 2003, the Pipeline Mining Complex produced 267,800 ounces of gold, providing $3,076,144 of royalty revenue to Royal Gold compared to 295,518 ounces of gold produced, providing $2,635,393 of royalty revenue to Royal Gold for the same quarter in fiscal 2002. The decrease in production is a result of the termination of carbonaceous ore sales to Barrick during the quarter and lower grades at South Pipeline.

For the first quarter of fiscal 2003, the average gold price was $312 per ounce and Royal Gold's GSR1 royalty rate was 2.60%, compared to an average gold price of $272 per ounce and a GSR1 royalty rate of 2.25% for the same period in fiscal 2002. Current production from the Pipeline Mining Complex is subject to GSR1, GSR3, and NVR1.

Bald Mountain, White Pine County, Nevada

Royal Gold holds a 1.75% net smelter returns royalty ("NSR") that burdens a portion of the Bald Mountain mine, operated by Placer Dome U.S. Inc. ("Placer"). During this fiscal quarter, the Bald Mountain mine produced 53,000 ounces of gold attributable to Royal Gold's

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interest, compared to 18,000 ounces attributable to Royal Gold's interest during the same quarter in fiscal 2002. Placer reported higher production at Bald Mountain because of an increase in recoveries relating to improvements in leaching techniques. Placer also announced that Bald Mountain will mine a smaller adjacent pit and that they are still looking at the viability of Stage 7 of the Top deposit. Royal Gold will update its fiscal production projection in the event it receives an updated production forecast from Placer Dome.

<u>South American Properties (Argentina)</u>

The Company holds a 2% net smelter returns royalty on all mineral production on development and exploration properties in Santa Cruz Province, Southern Argentina, encompassing about 365,000 acres (148,000 hectares).

Coeur d'Alene Mines Corporation ("Coeur"), through its Argentinian subsidiary, Compania Minera Polimet S. A., is the operator of the precious metals properties in the eastern portion of Santa Cruz Province, including the high-grade silver property known as the Martha mine at the Bacon prospect. During the first quarter of fiscal 2003, Coeur commenced production at the Martha mine, with high-grade ore being transported to its processing facility at the Cerro Bayo property in Chile. Shipments to Cerro Bayo, during Royal Gold's first quarter of fiscal 2003, totaled approximately 2,540 tons (2,800 tonnes), at an average grade of approximately 98 silver-equivalent ounces per ton (108 grams per tonne). Royal Gold expects royalty payments beginning its second fiscal quarter.

On November 5, 2002, Coeur updated its resource estimate at the Martha mine. Coeur estimates that the Martha mine contains fully diluted proven and probable reserves of 2.7 million ounces of silver, contained within a total resource of 4.0 million ounces of silver-equivalent, with an average grade of 110 ounces per ton (3,800 grams per tonne). Coeur has also indicated that the Martha mine will produce approximately 1.6 million ounces of silver in the second half of calendar 2002, subject to transport and shipping lag time, all of which will be subject to Royal Gold's royalty interest.

Exploration of Yamana Resources' gold projects, in the Santa Cruz Province, is being conducted by the Santa Cruz Joint Venture ("SCJV"), a three-way partnership consisting of Yamana Resources, Compania de Minas Buenaventura S.A.A. and Mauricio Hochschild & Compania S.A.C. Yamana recently reported that detailed exploration, including trenching, mapping, and sampling commenced on six separate gold prospects, commenced in September 2002.

Corporate Profile

Royal Gold is a dividend paying, precious metals royalty company engaging in the acquisition and management of precious metals royalty interests. Royal Gold is publicly traded on the Nasdaq Market System under the symbol "RGLD," and on the Toronto Stock Exchange under the symbol "RGL." The Company's web page is located at www.royalgold.com.

NOTE: Management's conference call reviewing its first quarter of fiscal 2003 will be held today at 12:00 noon Eastern, 10:00 a.m. Mountain, 9:00 a.m. Pacific time. The call will be simultaneously carried on the Company's web site at **www.royalgold.com** under the "Presentations" section. A replay on the web site will be available approximately two hours after the call ends. The conference call is also available by calling 800-603-2779 or 706-634-7230. Replays will be available until November 14 by dialing 800-642-1687 or 706-645-9291, access number 6428993.

Cautionary "Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995: With the exception of historical matters, the matters discussed in this press release are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from projections or estimates contained herein. Such forward-looking statements include statements regarding production levels and timing, reserves, mineralization, planned levels of exploration, profitability, dividends, cash flow and earnings, and the sliding-scale features of our royalty structure at the Pipeline Mining Complex. Factors that could cause actual results to differ materially include, among others, precious metals prices, decisions and activities of the operators of our royalty properties, unanticipated grade, geological, metallurgical, processing or other problems the operators of the mining properties may encounter, changes in project parameters as plans continue to be refined, results of current or planned exploration activities, economic and market conditions, and future financial needs or opportunities, and the impact of any future acquisitions, as well as other factors described elsewhere in this press release and in our Annual Report on Form 10-K, and other filings with the Securities and Exchange Commission. Most of these factors are beyond the Company's ability to predict or control. The Company disclaims any obligation to update any forward-looking statement made herein. Readers are cautioned not to put undue reliance on forward-looking statements.

The Company includes, in its reporting, information on free cash flow. Free cash flow is defined by operating income plus depreciation, depletion and amortization, non-cash charges, and any impairment of mining assets. While we believe free cash flow is a useful measure of the Company's performance, we also want to advise that this is not a measure recognized by general accepted accounting principles.

ROYAL GOLD, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

ASSETS

	September 30, 2002	June 30, 2002
Current assets		
Cash and equivalents	$ 27,000,855	$ 11,104,140
Royalty receivables	2,942,691	3,022,214
Prepaid expenses and other	169,115	165,238
Total current assets	30,112,661	14,291,592
Property and equipment, at cost, net	6,886,634	7,518,205
Available for sale securities	504,974	583,771
Deferred tax asset	6,348,454	6,849,687
Other assets	312,356	346,825
Total assets	$ 44,165,079	$ 29,590,080

LIABILITIES AND STOCKHOLDERS' EQUITY

	September 30, 2002	June 30, 2002
Current liabilities		
Accounts payable	$ 1,026,081	$ 698,136
Dividend payable	0	1,354,022
Accrued compensation	225,000	150,000
Other	149,716	99,667
Total current liabilities	1,400,797	2,301,825
Other liabilities	118,881	120,525
Commitments and contingencies (Note 5)		
Stockholders' equity		
Common stock, $.01 par value, authorized 40,000,000 shares; and issued 19,286,832 and 18,101,622 shares, respectively	192,868	182,798
Additional paid-in capital	71,510,114	57,389,220
Accumulated other comprehensive income	106,183	184,981
Accumulated deficit	(28,066,892)	(29,492,397)
Less treasury stock, at cost (229,224 shares)	(1,096,872)	(1,096,872)
Total stockholders' equity	42,645,401	27,167,730
Total liabilities and stockholders' equity	$ 44,165,079	$ 29,590,080

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ROYAL GOLD, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE INCOME
(Unaudited)

	For The Three Months Ended	
	September 30, 2002	September 30, 2001
Royalty revenues	$ 3,366,172	$ 2,831,633
Costs and expenses		
Costs of operations	266,987	218,389
General and administrative	444,185	445,617
Exploration and business development	93,021	122,321
Depreciation and depletion	633,838	596,810
Total costs and expenses	1,438,031	1,383,137
Operating income	1,928,141	1,448,496
Gain (loss) on marketable securities	0	(1,075,393)
Interest and other income	69,897	37,858
Interest and other expense	31,981	31,064
Income before income taxes	1,966,057	379,897
Current income tax expense	39,319	7,598
Deferred income tax expense	501,233	0
Net earnings	$ 1,425,505	$ 372,299
Adjustments to comprehensive income		
Unrealized change in market value of available for sale securities	(78,798)	553,472
Comprehensive income	$ 1,346,707	$ 925,771
Basic earnings per share	$ 0.08	$ 0.02
Basic weighted average shares outstanding	18,637,271	17,889,776
Diluted earnings per share	$ 0.07	$ 0.02
Diluted weighted average shares outstanding	19,130,373	18,025,341

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ROYAL GOLD, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For The Three Months Ended	
	September 30, 2002	September 30, 2001
Cash flows from operating activities		
Net income	$ 1,425,505	$ 372,299
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and depletion	633,838	596,810
Loss on marketable securities	0	1,075,393
Deferred tax expense	501,233	0
(Increase) decrease in:		
Royalty receivables	79,523	(1,116,182)
Other current assets	(3,877)	20,663
Increase (decrease) in:		
Accounts payable and accrued liabilities	452,993	265,479
Other liabilities	(1,644)	(1,644)
Total adjustments	1,662,066	840,519
Net cash provided by operating activities	3,087,571	1,212,818
Cash flows from investing activities		
Capital expenditures for property and equipment	(2,267)	(8,956)
Decrease in other assets	34,469	31,323
Net cash provided by investing activities	32,202	22,367
Cash flows from financing activities:		
Dividends	(1,354,022)	(894,490)
Proceeds from issuance of common stock	14,130,964	2
Net cash provided by (used in) financing activities	12,776,942	(894,488)
Net increase in cash and equivalents	15,896,715	340,697
Cash and equivalents at beginning of period	11,104,140	4,578,278
Cash and equivalents at end of period	$ 27,000,855	$ 4,918,975

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